

EXTENSION OF THE ATPA TRADE PROGRAM

On December 22, 2009, the United States Senate approved a law extending the Andean Trade Preference Act (ATPA) program for one year, until December 31, 2010, for Ecuador, Colombia, and Peru. The United States House of Representatives had already approved this law, which also includes the one-year extension of the Generalized System of Preferences (GSP). The ATPA was originally enacted in December 1991 to help certain Andean countries in their fight against drug production and trafficking by expanding their economic alternatives. Ecuador became a beneficiary of the program in 1993. The Andean Trade Promotion and Drug Eradication Act (ATPDEA) expanded and renewed ATPA in 2002.

Under the current ATPA program, Ecuador is eligible to receive duty-free access to the U.S. market for over 6,000 products. According to official U.S. trade statistics, 73 % of Ecuador's exports to the United States entered duty-free under ATPA in 2008. The Ecuadorian-American Chamber of Commerce has estimated that as many as 400,000 jobs in Ecuador benefit from exports to the United States under the ATPA program. The new law requires that the U.S. Trade Representative's Office report by June 30, 2010, on whether the ATPA beneficiary countries are complying with the program's eligibility criteria.

Key Statistics:

- The United States is Ecuador's top trading partner. In 2008, two-way trade totaled \$12.5 billion with Ecuadorian exports to the U.S. valued at \$9.0 billion (about 45 % of Ecuador's exports) and Ecuadorian imports from the U.S. totaling \$3.5 billion (around 19 % of Ecuador's imports).
- Ecuadorian exports to the U.S. under ATPA in 2008 totaled \$6.6 billion, or 73 % of Ecuador's total exports to the United States.
- Top Ecuadorian products benefitting from ATPA in 2008:
 - Petroleum and petroleum products (\$6.2 billion)
 - Fresh flowers (\$133.0 million), of which 53 % were roses (\$71.0 million)
 - Tuna (\$83.0 million)
 - Broccoli (\$20.9 million)
 - Plywood (\$17.4 million)
 - Pineapple (\$12.6 million)
 - Mango (\$11.5 million)
 - Textiles and Apparel (\$10.5 million)
- In 2009, the United States has remained Ecuador's top export market for petroleum (48 % of total petroleum exports) and roses (43 % of total rose exports).

For the U.S. Trade Representative's last report on the ATPA program, go to <http://www.ustr.gov/sites/default/files/USTR%202009%20ATPA%20Report%20Final.pdf>.

Source: All trade statistics are from the U.S. International Trade Commission database.